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Attorneys for Plaintiffs Gucci America, Inc. and Chloé SAS

UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

GUCCI AMERICA, INC. and CHLOÉ SAS,

Plaintiffs,

-against-

HGL ENTERPRISES; EZDESIGNERREPLICAS.COM; DESIGNERREPLICAS.HIGHPOWERSITES. COM; HENRY LEIZGOLD a/k/a ENRIQUE GOSMAN LEIZGOLD; HERLINDA LEIZGOLD a/k/a LINDA LEIZGOLD a/k/a HERLINDA PASAPERA; ABC COMPANIES; and JOHN DOES,

Defendants.

07 Civ. <u>5</u>569

DECLARATION OF JONATHAN H. MOSS

- I, Jonathan H. Moss, declare as follows:
- 1. I am Legal Counsel for Plaintiff Gucci America, Inc. ("Gucci"). I have been employed by Gucci since May 2002. I have personal knowledge of the facts set forth below.
- 2. I submit this declaration in support of the application of Gucci and Chloé SAS ("Chloé") (collectively, "Plaintiffs") for a temporary restraining order and preliminary injunction.

GUCCI

- 3. Gucci is organized and exists under the laws of New York, with its principal place of business located at 685 Fifth Avenue, New York, New York 10022.
- 4. Gucci, through its affiliated companies, is a leader in the design, marketing and distribution of premium, high-quality consumer products in leather goods, clothing, jewelry, accessories, suits, home products, and related items (collectively, the "Gucci Products"). For more than eighty-five years, Gucci and its affiliates have developed a reputation for excellence among all products sold in connection with the Gucci name, within the United States and internationally.
- 5. Consumers identify Gucci Products through the trademark GUCCI name, as well as through the product designs, logos and other source identifying indicia selected and promoted by Gucci (collectively, the "Gucci Marks"). Attached as Exhibit 1 are true and correct copies of United States Patent and Trademark Office ("PTO") registration certificates and printouts from the PTO's website setting forth the status of Gucci Marks that are relevant to this case.
- 6. Over the decades, literally hundreds of millions of consumers have been exposed to the Gucci Marks not only in advertisements, but in fashion magazines, television programs, motion pictures and virtually all instrumentalities of popular culture. For example, recent press reports alone recount that Jacqueline Kennedy, Audrey Hepburn, and young Princess Caroline of Monaco "were fans of the label" and that Gucci's archives of famous photo shoots include "Princess Di as a child bride and sassy young woman, Britt Ekland trading double G logos with Peter Sellers, and Madonna in various hug-me-tight leather jackets." See, e.g., Ex. 2 (press reports describing Gucci as a "jet set brand"; "strong brand"; and "star brand and a money tree"). Gucci spends between \$5.0 and \$10.0 million per year in the United States to advertise its brand, with an advertising campaign that includes frequent full-page advertisements in the New York

<u>Times</u>, <u>Los Angeles Times</u>, <u>Harper's Bazaar</u>, <u>Vogue</u>, and numerous other widely-distributed fashion and news publications.

- 7. As a result, the Gucci Marks are among the most widely-recognized trademarks in the United States and have become famous and highly valuable marks, possessing strong secondary meaning among consumers. The Gucci Marks are uniquely valuable among consumer trademarks because they receive a consistent level of exposure to consumers, far beyond what most apparel manufacturers or licensors can achieve to promote their products.
- 8. Gucci manufactures, licenses, and markets a broad range of products that utilize the Gucci Marks. In addition, Gucci owns approximately 50 stores throughout North America that sell exclusively Gucci branded products, as well as over 200 additional boutiques around the world.
- 9. In order to protect the value of the Gucci Marks and official goods bearing the Gucci Marks, Gucci produces all of its leather goods and shoes in Italy and carefully selects the fine leathers and materials that are utilized in these products from a close network of artisans, craftsman and purveyors of specialty leathers. This process assures adherence to the highest quality standards for the manufacture and dissemination of Gucci Products.
- 10. Gross sales of Gucci branded Products have risen in each of the last three years by more than 20 percent, and annually will range between \$0.5 billion and \$1.0 billion in North America.
- 11. All authorized Gucci Products bear the Gucci marks, either on their labels, hang tags, or on the products themselves.

THE COUNTERFEIT PRODUCTS

- 12. In 2006, Gucci became aware that Defendants (and others) had engaged in the sale of counterfeit Gucci Products, often expressly identified with the trademark GUCCI name, throughout the New York metropolitan area and elsewhere in the United States (the "Counterfeit Products"). Gucci immediately commenced an investigation into the activities of Defendants and other entities engaged in comparable behavior.
- 13. In particular, Gucci learned that Defendants were selling virtual replicas of Gucci Products, including but not limited to handbags, small leather goods, and other items. For example, shown below is an image of an authentic Gucci "Jolicoeur" handbag. The product displayed below bears the following federally registered trademarks owned by Gucci: the GUCCI name, non-interlocking "GG" monogram, repeating "GG" design, and green-red-green stripe. See Ex. 1 (U.S. Reg. Nos. 876,292; 959,338; 972,078; 1,106,722; 1,122,780; 1,168,477; 1,321,864; 1,483,526; 3,072,549).

